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The First Direct Shipment of U.S. Oranges Finally Arrives in China

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Report Highlights:

On April 13, the first direct shipment of U.S. oranges arrived at the Li Shui Fresh Fruit Market in Guangdong Province of South China.

Includes PSD changes: No

Includes Trade Matrix: No

Unscheduled Report

Guangzhou [CH3], CH

The first direct shipment of United States' oranges finally arrives in China.

On April 13, the first direct shipment of U.S. oranges to South China after the implementation of U.S.-China agricultural cooperation agreement arrived at Li Shui Fresh Fruit Food Market, Guangdong Province. This shipment consists of 8 containers, each with approximately 20 tons of California oranges. These oranges are imported into China by Guangdong Nan Hai Li Shui (Fresh Fruit Food) Market Ltd. through Vanguard International Ltd. in California. According to Mr. Vincent Wu, General Manager of the company, Li Shui Fresh Fruit Food Market is the largest fresh fruit wholesale center in China. Among the brands they imported this time are Air Chief and 5 Crowns by Sun Pacific. These are the most popular brands in south part of China at the present time. As for Sunkist, they didn't import any with this shipment. However, they intended to import some in the later time. He mentioned that they expect more than 3,000 containers of orange shipment this year.

Mr. Ken Leung, Marketing Manager of Guandong Fully Ltd., mentioned that all the fresh fruit imported by them will be distributed to other cities for wholesale and retail sale in China. Because these oranges are in high demand, he expects that this shipment could be sold out within one or two days. From now on, everyday they'll have orange shipment come in. However, he expressed his concerns about the quality and packaging of the oranges. When they imported in large quantity, usually the quality did not meet the sample standard. This eventually reflected on the price of the fresh fruit. They wished that all the exporters in U.S. pay more attention to quality control. Meanwhile, packaging continues to be an issue. It has been much improved than before over the years. However, due to the long distance shipment, the packaging usually worn out before the fruit could reach the final consumers.

They are very happy that China and U.S. signed the Agreement of U.S.-China Agricultural Cooperation. Under the agreement, which went into effect last month, U.S. meat and poultry products, wheat, and citrus are now officially permitted by the Chinese government for direct importation for sale in normal retail and wholesale channels to the China market. After the agreement, their shipment has been increased by an average of 10 containers everyday. Till now, there are still some of the fresh fruit, like pears and plums, that they could not import from U.S. They look forward to the day when all of the fruits in US could come to the China market without limitations.

The officials from the State Administration for Entry-Exit Inspection and Quarantine (C.I.Q.) inspected this first shipment at the Nanhai port. Dr. Samuel Wong, the Director of U.S. Agricultural Trade Office in Guangzhou, attended the celebration of the first shipment of oranges at the Li Shui Market.

With congressional approval of P.N.T.R. (Permanent Normal Trade Relations) and China's accession to W.T.O., Chinese traders expect that U.S. agricultural products will increase their market share in the fast growing consumer market in China.